



Registration
Number
170178

BOOTS STORES LIMITED
DIRECTORS' REPORT
and
FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2006



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Registration

No: 170178

BOOTS STORES LIMITED

Board of Directors

Year ended 31st March 2006

Directors

A W Gourlay

P Patel

A R Gray

Secretary

S Fennell

Registered Office

1 Thane Road West

Nottingham, NG2 3AA

BOOTS STORES LIMITED

Directors' Report

Year ended 31st March 2006

The directors present their annual report together with the audited financial statements for the year ended 31st March 2006.

Principal activities

The company is a management company, the principal activity of which is conducting the business of health and beauty, food, baby and photographic shops on behalf of Boots The Chemists Limited.

Profit and dividends

Details of profit for the year are shown in the profit and loss account on page 6. The directors do not recommend payment of a dividend for the year (2005 £nil).

Directors

The details of directors in office on 31st March 2006 are shown on page 1. There have been the following changes to the board of directors during the year and up to the date of signing the financial statements:

Appointments

A R Gray

Date

1st July 2005

Resignations

C R Grimsdell

A D Emson

D A Kneale

A R Gray

Date

19th April 2005

29th April 2005

29th July 2005

18th October 2006

Directors' remuneration

No director received or waived any remuneration for his services to the company during the year (2005 Nil).

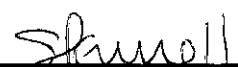
Directors' shareholding

Details of the directors' share interests are included within the company's immediate holding company, Boots The Chemists Limited (see note 10).

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board


S Fennell
Secretary

14 NOV 2006
Date

BOOTS STORES LIMITED
Directors' Responsibilities Statement
Year ended 31st March 2006

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditors' Report

Year ended 31st March 2006

Independent Auditors' Report to the members of Boots Stores Limited

We have audited the financial statements of Boots Stores Limited for the year ended 31st March 2006 comprising of the Profit and Loss Account, the Reconciliation of Movements in Shareholder's Funds, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent Auditors' Report

Year ended 31st March 2006

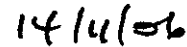
Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st March 2006 and of its profit for the year then ended.
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



KPMG Audit Plc
Chartered Accountants
Registered Auditor
Birmingham



Date

BOOTS STORES LIMITED**Profit and Loss Account**

Year ended 31st March 2006

	Notes	2006 £	2005 £
Other operating income	2	228,027	200,000
Profit on ordinary activities before interest		228,027	200,000
Interest receivable/(payable)	3	10,864	(394)
Profit on ordinary activities before taxation	4	238,891	199,606
Tax on profit on ordinary activities	5	(71,667)	(59,882)
Profit on ordinary activities after taxation and profit for the financial year attributable to shareholders	9	167,224	139,724

The profit for the year is wholly attributable to the continuing operations of the company. There are no recognised gains and losses for the current financial year and preceding financial year other than the profit as shown above.

BOOTS STORES LIMITED
Reconciliation of Movements in Shareholder's Funds
Year ended 31st March 2006

	2006 £	2005 £
Profit for the financial year attributable to shareholders	167,224	139,724
Net increase in shareholder's funds	<u>167,224</u>	<u>139,724</u>
Opening shareholder's funds	264,724	125,000
Closing shareholder's funds	<u>431,948</u>	<u>264,724</u>

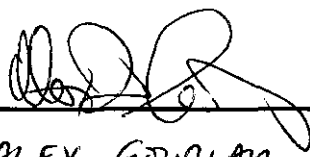
BOOTS STORES LIMITED**Balance Sheet**

At 31st March 2006

	Notes	2006 £	2005 £
Current assets			
Debtors falling due within one year	6	503,615	294,665
Creditors: Amounts falling due within one year	7	(71,667)	(29,941)
Net assets		431,948	264,724
Capital and reserves			
Called up share capital	8	125,000	125,000
Profit and loss account	9	306,948	139,724
Equity shareholder's funds		431,948	264,724

The financial statements were approved by the Board of Directors on
and are signed on its behalf by:

14 NOV 2006



ALEX GOURLAY
Director

BOOTS STORES LIMITED
Notes to the Financial Statements
Year ended 31st March 2006

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that Boots Group PLC, the company's ultimate parent undertaking includes the company's cash flows in its own published consolidated financial statements.

2. Other operating income

Other operating income comprises management fees received from the immediate holding company.

3. Interest receivable/ (payable)	2006	2005
	£	£
Interest payable to group undertakings	-	(394)
Interest receivable from group undertakings	10,864	-
Total interest receivable/ (payable)	10,864	(394)

4. Profit on ordinary activities before taxation

The company has no employees in either year apart from the directors.
The audit fee was borne by a fellow group undertaking.

BOOTS STORES LIMITED
Notes to the Financial Statements
Year ended 31st March 2006

5. Tax on profit on ordinary activities	2006 £	2005 £
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The tax charge on the profit for the year consists of:

Current taxation

UK corporation tax	71,667	59,882
Total current tax	71,667	59,882

Tax on profit on ordinary activities	71,667	59,882
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Reconciliation of current tax charge

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 30% (2005 30%). The actual tax charge for the current year and previous year is the same as the standard rate.

6. Debtors	2006 £	2005 £
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Amounts falling due within one year:

Amounts owed by group undertakings	503,615	294,665
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7. Creditors: Amounts falling due within one year	2006 £	2005 £
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Amounts due to group undertakings	35,833	-
Corporation tax	35,834	29,941
	71,667	29,941

8. Called up share capital	2006 £	2005 £
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Authorised, allotted, called up and fully paid: 125,000 ordinary shares of £1 each	125,000	125,000
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9. Profit and loss account	£
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At 1st April 2005	139,724
Profit for the year	167,224

At 31st March 2006	306,948
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BOOTS STORES LIMITED
Notes to the Financial Statements
Year ended 31st March 2006

10. Ultimate holding company

The company's immediate holding company (which is also the immediate controlling party) is Boots The Chemists Limited and its ultimate holding company (which is also the ultimate controlling party) is Boots Group PLC, a company incorporated in Great Britain and registered in England and Wales. The results of the company are included in the group financial statements of Boots Group PLC.

Copies of the group financial statements may be obtained from 1 Thane Road West, Nottingham NG2 3AA.

As a wholly owned subsidiary of Boots Group PLC, the company is exempt from disclosing transactions with other group undertakings and investees of the group qualifying as related parties as permitted by paragraph 3 of Financial Reporting Standard 8.

On 31st July 2006 Boots Group PLC merged with Alliance UniChem plc. On this date the ultimate holding company, Boots Group PLC, changed its name to Alliance Boots plc.